

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

October 18, 2005

H.R. 1317 Federal Employee Protection of Disclosures Act

As ordered reported by the House Committee on Government Reform on September 29, 2005

H.R. 1317 would amend the Whistleblower Protection Act (WPA). The bill would clarify current law and extend new and expanded protections to federal employees who report abuse, fraud, and waste involving government activities. The legislation also would make changes to the laws governing the Merit Systems Protection Board (MSPB) and the Office of Special Counsel (OSC), which implement provisions of the WPA. In addition, the legislation would require a study by the Government Accountability Office (GAO) regarding the revocation of security clearances in retaliation for whistleblowing.

CBO estimates that implementing H.R. 1317 would not have a significant budgetary impact. H.R. 1317 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

According to the MSPB and OSC, there generally are between 400 and 500 whistleblower cases per year. In 2005, the MSPB received an appropriation of \$35 million, and the OSC received \$15 million. Although H.R. 1317 could increase the number of whistleblower cases, CBO expects that any such increase and any additional administrative and staffing costs would not be significant. In addition, the legislation would require the GAO to prepare a study by June 2006 on security clearance revocations since 1996. Based on similar reports, CBO estimates that preparing and distributing the report would cost less than \$500,000 in fiscal year 2006, assuming the availability of appropriated funds. Enacting the legislation would not affect direct spending or revenues.

On April 20, 2005, CBO transmitted a cost estimate for S. 494, the Federal Employee Protection of Disclosures Act, as ordered reported by the Senate Committee on Homeland Security and Governmental Affairs on April 13, 2005. The Senate bill contains additional amendments to the laws that govern the MSBP and OSC. The differences in the estimated costs reflect the differences between the two bills.

The CBO staff contact for this estimate is Matthew Pickford. The estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.